

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:30 a.m. on **THURSDAY, NOVEMBER 6, 2008**, upon the application of **KCS RESOURCES, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Haynesville Zone, Reservoir A**, in the Dixie Field, Caddo Parish, Louisiana.

1. To establish rules and regulations and create an additional drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed unit in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate a unit well and unit operator, as appropriate.
4. To provide that wells drilled to the Haynesville Zone, Reservoir A, be located no closer than 330 feet to any unit line and that there be not less than 660 feet between wells drilling to, completed in, or for which a permit has been issued to the Haynesville Zone, Reservoir A.
5. To provide that with respect to horizontal wells drilled to the Haynesville Zone, Reservoir A, in the proposed unit, where the horizontal lateral portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus.
6. To consider such other matters as may be pertinent.

The Haynesville Zone, Reservoir A, is to be defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 9,220 feet and 10,800 feet (electric log measurements) in the Nadel & Gussman - Jetta Operating Company - Franks 22 No. 1 Well located in Section 22, Township 19 North, Range 14 West.

A plat is available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

9/30/08;10/3/08

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.